<u> Krenks</u>

Memorandum from

Robert A. Neville

MIN KEED FUNDS,

MCI, DOCKET FILE COPY ORIGINAL 8/14/95 Hard Spreade the latter that you AUG 1 5 1995 sent to me (copy attacked) States on M

the situation is even worse that then you, on the USA Joday article, describe.

I (and many employees in my company) used a local bell calling card (not just disling "o") expecting some protection from "rip of" phone charges, and we were "ripped off" anyway. It seems



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SIMKINS INDUSTRIES, INC.

ROBERT A. NEVILLE MANAGER, CORPORATE PURCHASING

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It me that the love bell Companies skirld assume some responsibility for protecting their customers from this scam. I July support the idea of "lilled party preference" and I will send a copy of this note to the FCC Chairman. Thank you for supporting consumer protection. I Int a Merille



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## MCI Telecommunications Corporation



1801 Pennsylvania Ave., NW Washington, DC 20006

Donald F. Evans Vice President Federal Regulatory Affairs

July 12, 1995

Dear Telecommunications Customer:

Based on a review of publicly available records at the Federal Communications Commission, I understand that you recently experienced a problem trying to place an operator-assisted call from a pay phone or hotel phone. MCI requested information from the FCC about such complaints solely for the purpose of sending this letter and sharing our thoughts about a pro-consumer solution to the problem you experienced.

When a customer uses a calling card or requires operator assistance from a pay phone, it's reasonable to expect the call to go through your own long distance company. But the fact is that such calls can be routed through a company that you've never even heard of -- and at a different rate than you expected to pay. The reason is that when you dial "0" to make an operator-assisted call, you get an operator services company chosen not by you, but by the owner of the place from which you are calling (for example, a hotel or airport).

There is a remedy for this problem, and the FCC has the authority to require the nation's telephone companies to use it. The remedy is called billed party preference." This simply means that if you're the one paying for the call, then you select the company that carries it. No extra digits are required. The telephone system recognizes your billing information and routes the call automatically to the carrier you normally use.

You may have seen the attached article in a recent edition of USA TODAY. Consumer reporters at your local newspaper, TV or radio station might be interested to learn that you too have had such an experience. That's one step you can take to hasten the end of this widespread consumer problem.

Another is to write to The Honorable Reed Hundt, Chairman, FCC, 1919 M Street NW, Washington, DC 20554. Tell him you have heard about billed party preference, and that it could eliminate the kind of problem that you experienced.

Your support for billed party preference puts you in good company. For example, one of the best regarded consumer protection organizations -- The National Association of State Utility Consumer Advocates -- as well as several state public utilities commissions have filed comments with the FCC expressing support for billed party preference.

Whether or not you are an MCI customer, you can be sure that my company supports your power to choose a long distance company in all circumstances. We intend to continue fighting for American consumers on this issue, and we invite you to join us.

Sincerely,

## **USA TODAY**

Tuesday, May 30, 1995

## FCC cautions users of pay telephones

WASHINGTON – Stop, look and listen before you use a pay telephone.

If you don't, you may not reach your regular long-distance carrier from that phone in a hotel room or restaurant and wind up paying far more for your call.

That's the advice from the Federal Communications Commission, which is educating consumers how to avoid "phone burn" as the summer travel season approaches.

The commission reported that it received nearly 2,500 complaints about rates charged at pay telephones last year.

Among those complaining was Ellen Sheridan of Hudson, Wis. "I was furious," she says. Her daughter-in-law called her from a gas station pay phone 17 miles away on a Saturday night. The 2-minute call cost \$8.47.

"In any business that's booming, you have a place for bad apples," says FCC Chairman Reed Hundt. "We want to guard against that."

So before you use a pay phone, look at information on or near it that names the carrier and how to learn its rates.

After dialing, listen to the message that names the carrier handling your call before charges are incurred. If you don't want that carrier, hang up and contact the carrier you normally use.

—Barbara Woller